

ADMINISTRATIVE - INTERNAL USE ONLY

DDI-2699-72

17 OCT 1975

MEMORANDUM FOR: Deputy Inspector General

SUBJECT : Record of CIA Internal Program to
Strengthen Command and Control

REFERENCE : Your memo, dated 16 October 1975,
same subject

1. The effort to exercise increasing control over the activities and resources of the Intelligence Directorate has proceeded, in an organizational sense, on two fronts. With respect to intelligence production, the Directorate has moved steadily toward the creation of offices with more sharply defined responsibility for specific sectors of intelligence analysis. For example, the original Office of Research and Reports has been disbanded to establish two new offices concerned primarily with foreign economic (OER) and foreign military (OSR) affairs. The Office of Basic Intelligence has been supplanted by an Office of Geographic and Cartographic Research, and the Office of Current Intelligence--while continuing its basic mission--gave up its responsibility for in-depth political research to a new Office of Political Research. A new Operations Center which serves the entire Agency was established from the former OCI Operations Center. Such reorganization along increasingly functional lines, reflecting broadly understood intellectual disciplines, has enhanced command and control of intelligence production by simplifying the assignment of tasks and clarifying the responsibility for their timely completion.

2. With respect to intelligence management, the drive to develop appropriate control mechanisms had its beginning with the 1965 Presidential directive to institute a Planning, Programming and Budgeting (PPB) system on a government-wide basis. By 1967, a Planning Staff had been organized within the Intelligence Directorate to interface with the newly established O/PPB at the DCI level, to develop plans on a Directorate-wide basis, and to encourage forward-thinking and stricter

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resource controls within the individual Offices of the DDI. Typical of its achievements was the establishment in 1972 of a Program Execution Procedure with requirements for central authorization of major expenditures for equipment, construction and contractual services that were more stringent than those set for the Agency as a whole. In addition, the DDI Planning Staff was the first such entity within CIA to install a computer terminal for more immediate access to the Directorate's financial records.

3. With the replacement of O/PPB by the Office of the Comptroller in 1973, it became apparent that an even more effective command and control mechanism was required within the ODDI. On January 1st, 1974, the former Planning Staff was joined with the long established Administrative Staff to become the DDI Management Staff. This new organization has moved rapidly to take over much of the planning and budgeting activities of the individual Offices, freeing them for greater concentration on intelligence production, reducing the personnel and space formerly devoted to these activities, eliminating duplication of effort and giving the Deputy Director for Intelligence a more immediate grip on the total resources of his organization. Financial records and administration have been consolidated in a new budget group within the Management Staff. Current and future Office programs are monitored by a group of planning specialists who serve both as consultants for individual Offices and as researchers on Directorate-wide problems. An administrative group concerns itself with the more efficient and equitable application of DDI policies with respect to personnel, training, records, logistics, space and security.

4. Since 1973, these organizational efforts to improve command and control within the Intelligence Directorate have been buttressed by the adoption of a Management By Objectives (MBO) system. The approach to MBO adopted by the DDI differs from that taken elsewhere in the Agency in that it is selective rather than total, concentrating chiefly on specific goals rather than the entire catalog of Directorate missions and functions. Like all MBO systems, the DDI approach has taken time to implement, but salutary results--in both intelligence production and management--are already apparent. In addition to promoting measurable results in difficult problem areas, the system seems to be increasing the effectiveness and sense of common purpose on the part of both managers and employees. Office Directors have expressed their satisfaction with the procedure for working out an attack on the most challenging aspects of their annual programs in advance, and having an opportunity to review their progress with the DDI at mid-year. Most

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employees appear to be pleased with having received individual Letters of Instruction, a key aspect of the MBO system which clearly defines the work they are to do and the standards by which they will be judged. In sum, the adoption of MBO already appears to have promoted a sharpening of management focus, a concentration of employee effort and an increase in internal communications which is directly supportive of the Directorate's longer term commitment to improve command and control.

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